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Ex Parte

November 7, 1997

Mr. William F. Caton
Acting Secretary
Federal Communications Commission
Mail Stop Code 1170
1919 M Street, N.W., Room 222
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

RE: NSD LN 97-26 / CC Docket No. 96-159 /

On November 5, 1997, Dan Poole, Jorge Sedeeno and the undersigned representing SBC spoke via conference call with Alan Thomas representing the Network Services Division of the Common Carrier Bureau to discuss issues in the above referenced docket. The attached document contains the details of the discussion..

Please include this letter and the attachments in the record of these proceedings in accordance with Section 1.1206(a)(1) of the Commission's Rules.

Acknowledgment and date of receipt of this transmittal are requested. A duplicate transmittal letter is attached concerning this matter.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Link Brown".

Attachments

cc: Alan Thomas

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ATTACHMENT

RE: FCC Waiver Request for Hearne and Calvert Exchanges

The purpose of this memorandum is to provide additional detail to the FCC concerning SWBT's Petition for Waiver (NSD LN 97-26, Docket CC 96-159).

The waiver was requested to insure that SWBT could comply with Texas PUC Substantive Rule 23.69. This Rule, known as the ISDN Rule, requires that any SWBT customer in Texas have the ability to subscribe to ISDN Services. Since Calvert and Hearne are the only SWBT exchanges in the GTE Bryan Market Area (also identified as the Hearne LATA), and since the central office switch types serving both Calvert and Hearne are not capable of being equipped with ISDN, then a waiver to serve these exchanges from a SWBT central office switch in a distant LATA is required.

The three clarifying questions discussed on November 5, 1997 with the FCC are as follows;

- 1. How was the estimate developed that "...fewer than 20 customers ... may subscribe to ISDN services in the Hearne and Calvert exchanges".**
- 2. Additional clarification on the differences between foreign exchange (FX) service and ISDN Link Extension service.**
- 3. Additional clarification of the two options available for the provision; on a Link Extension basis using Austin numbers and being provisioned the Austin calling scope, or on a Link Extension basis out of Austin and being provisioned a Hearne calling scope.**

Item 1: The determination that 20 customers would request ISDN service in the Calvert and Hearne exchanges was based upon a Marketing forecast of anticipated ISDN service requests.

Item 2: The differences between foreign exchange (FX) and ISDN Link Extension are primarily rate based. Both services are provisioned in the same manner. As an example, if a customer in Central Office A (CO "A") wants to be served by a Central Office in a different exchange B (CO "B"), then an extended customer loop is provisioned from the customer's premises through CO "A" (where it is not switched, but merely 'passes through') all the way to CO "B". The customer's calling scope is now that of CO "B", which is also now the customers dial tone central office. When the customer goes off hook (picks his phone up), dial tone is provided from CO "B" over the FX loop all the way to the customer's premises in CO "A."

Any calls that the customer makes will be originated from CO "B", and the customer will now have the calling scope of CO "B", his "foreign" central office located in a "foreign" exchange, and not CO "A", his "home" central office'.

In Texas, FX Service has two rate elements. The customer pays a distance sensitive rate element based upon the number of quarter miles that his FX CO is from his "home" central office. In addition, there is also a rate element that is usage sensitive for each minute of use for each call an FX customer makes.

ISDN Link Extension is technically provisioned in the same manner as FX Service. However, it is rated differently. ISDN customers are billed a flat-rated monthly rate which unlike FX service is not sensitive to either distance or usage.

Item 3. Clarification of the alternative that would require dedicating an NXX code to Hearne and Calvert: If the waiver is granted, and SWBT is allowed to provision ISDN Link Extension out of Austin and across the Austin LATA boundary, then the end user customers in Calvert and Hearne will have Austin telephone numbers out of the Austin CO, and the Austin calling scope associated with the Austin ISDN serving CO.

An alternative to the provisioning identified above would also require Link Extension Service from the Austin LATA, but would also require opening an NPA NXX code in the Austin ISDN service CO, and have that code only serve the 20 or so customers in the Calvert and Hearne exchanges. The Link Extension would be provisioned in the same manner as noted above, but the ISDN customers in Calvert and Hearne would not have the Austin calling scope, but that of their 'located' CO, Calvert or Hearne. Calls to and from the NPA NXX associated with the Link Extension service would be routed through the Austin CO, and not the Calvert or Hearne COs. SWBT argues that this arrangement would make very inefficient use of the NPA NXX opened in the Austin CO solely to serve a customer base in Calvert and Hearne of 20. SWBT would also point out that one of the primary reasons that end user customers want ISDN is so that they can have end-to-end digital connectivity, very often to other ISDN end users or Internet Services. If this arrangement were activated, then the customer base that the Calvert and Hearne ISDN customers would be originating calls to would not be in their 'locate' CO, but in the Austin calling scope, which under this arrangement is an interLATA long distance call (from the Hearne LATA to the Austin LATA).